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To: Rental Housing Tax Credit Developers/Owners

Notice: **RED-12-25**

From: Real Estate Department

Date: May 2, 2012

Re: **Availability of Tax Credit Assistance Program (TCAP)**

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The Real Estate Department is now accepting TCAP applications.

The American Recovery and Reinvestment Act of 2009 (ARRA) created the TCAP to enhance the Section 42 Rental Housing Tax Credit Program. IHCD allocated \$38,048,333 in TCAP Funds as short term construction and equity bridge loans. IHCD has begun to receive repayment of these funds and is making them available to eligible developments.

The TCAP Policy and Procedures for Recycled Funds and application are available on the [QAP website](#). This policy contains some changes from the original TCAP policy including but not limited to the following:

Additional Threshold criteria to the TCAP Policy and Procedures for Recycled Funds includes:

- E. Applicant, Owner, and Developer may not have an outstanding TCAP loan balance.
- F. The Development must meet one of the following Set-aside Categories:
  - 1. Rural
  - 2. Housing First

Changes to selection criteria include the deletion of the requirement:

“Developments able to demonstrate compliance with the Readiness Criteria will secure a competitive equity investment within 120 days of Commitment.”

This has been replaced with: “Developments must close on their financing and TCAP loan within 90 days of the TCAP Award date. “